


1. (Currently Amended) A method of managing combined life insurance and annuities within a computer system for a plurality of accounts, comprising the steps of:

borrowing money from at least one of a plurality of lenders;

coordinating data of said plurality of lenders and a plurality of insurance companies;

 purchasing at least one annuity and at least one life insurance policy using said borrowed money, wherein said at least one life insurance policy has a money market, general and mortality expense accounts;

receiving periodic income from said at least one annuity;

paying premiums for said at least one life insurance policy using income from said at least one annuity;

making payments on said borrowed money using income from said at least one annuity;

maintaining inside build-up within said life at least one insurance policy using said computer system;

periodically determining an amount to be credited from said at least one annuity to each life insurance policy's money market, general, and mortality and expense accounts;


triggering the electronic crediting of said accounts through a computer system which, on a periodic basis, credits said life insurance policy accounts; and

managing investment growth within at least one investment trust according to a trust instrument in order that said life insurance policy build-up is managed through said investment trust and is non-income taxable.

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Please ~~cancel~~ claim 2 without disclaimer or prejudice to its underlying subject matter.

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 3. (Currently Amended) The method of claim 1, wherein said method further comprises the steps of:

determining an amount to be credited to the lender for each of said plurality of

loans;

B<sup>2</sup> determining the amount positive or negative loan amortization to be added or subtracted from each of said plurality of loans;

testing if any of said plurality of loans is in default; and

determining, at the death of the insured, the amounts to be paid to said lenders.

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Please cancel claim 9 without disclaimer or prejudice to its underlying subject matter.

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11. (Currently Amended) A computer system for managing a plurality of accounts, comprising:

borrowing means for borrowing money from at least one of a plurality of lenders; coordinating means for coordinating data for said plurality of lenders with data from a plurality of insurance companies;

B<sup>3</sup> purchasing means for purchasing an annuity and a life insurance policy using said borrowed money, wherein said life insurance policy has a money market, general, and an expense account;

receiving means for receiving periodic income from each annuity;

payment means for paying premiums for said life insurance policy using income from said annuities and making payments on said borrowed money using income from said annuities and maintaining inside build-up within said life insurance policy using said computer system;

determining means for periodically determining the amount to be credited from each annuity to each life insurance policy's money market, general, and mortality and expense accounts;

crediting means for triggering the electronic crediting of said accounts through a computer system which, on a periodic basis, credits said life insurance accounts; and

managing means for managing investment growth within at least one investment trust according to a trust instrument in order that said life insurance policy build-up is managed through said investment trust and is non-income taxable, using said computer system in accordance with a trust instrument.

Please cancel claim 12 without disclaimer or prejudice to its underlying subject matter.

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13. (Currently Amended) The computer system of claim 11, wherein said determining means further comprises:

- determining the amount to be credited to the lender for each loan;
- determining the amount of positive or negative loan amortization to be added or subtracted from each of said loans;
- testing if the loan is in default; and
- determining, at the death of the insured, the amounts to be paid to said lenders.

14. (Currently Amended) The computer system of claim 11 wherein a beneficiary of said life insurance policy is a charitable institution.

15. (Currently Amended) The computer system of claim 11, wherein said borrowing means borrows money under non-recourse terms.

16. (Currently Amended) The computer system of claim 11, wherein said borrowing means guarantees repayment of at least part of said borrowed money.

17. (Currently Amended) The computer system of claim 11, wherein said purchasing means purchases a life-only annuity.

18. (Currently Amended) The computer system of claim 11, wherein said purchasing means purchases a 5-year certain annuity.

19. (Currently Amended) The computer system of claim 11, wherein said annuity, loan, and life insurance policies comprise at least one of a plurality of annuities, loans, and policies.

20. (Currently Amended) The computer system of claim 19, further comprising a tracking means wherein each of said annuities and loans are tracked to a particular one of said policies.

21. (Currently Amended) A method for combining life insurance and annuities using a computer system, comprising the steps of:

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borrowing money;  
purchasing an annuity and a life insurance policy using said borrowed money;  
paying premiums for said life insurance policy using income from said annuities;  
making periodic payments on said borrowed money using income from said annuities;

establishing a life insurance company having an investment trust subsidiary, said subsidiary having at least one investment trust; and

managing investment growth within said at least one investment trust using said computer system according to a trust instrument in order that said life insurance policy build-up is managed through said investment trust and is non-income taxable.

22. (Currently Amended) The method of claim 21, wherein said computer system performs the steps of:

coordinating said life insurance company's data with a plurality of lenders and insurance companies;

receiving periodic income from each annuity;  
periodically determining the amount to be credited from each annuity to each life insurance policy's money market, general, and mortality and expense accounts; and

triggering the electronic crediting of said accounts.

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23. (Currently Amended) The method of claim 22, comprising the steps of:  
determining the amount to be credited to the lender for each loan;  
determining the amount of positive or negative loan amortization to be added or subtracted from each of said loans;  
testing if the loan is in default; and  
determining, at the death of the insured, the amounts to be paid to said lenders.

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31. (Currently Amended) A method of combining life insurance and annuities using a computer system, comprising the steps of:

borrowing money;  
purchasing an annuity and a life insurance policy using said borrowed money;  
paying premiums for said life insurance policy using income from said annuities;  
paying payments on said loan using income from said annuities;  
establishing tax-favored entities including a partnership, a trust, or a management company;

paying fees to a management company to manage said computer system, wherein said computer system is responsible for:

sending a balance of cash flow and tax reporting to said partnership;  
paying proceeds to the members of said partnership based on a partnership agreement; and

passing the tax consequences onto a tax-favored taxpayer in accordance with a trust instrument in order that the tax liability is reduced based upon the tax favored treatments afforded to the tax favored taxpayer.

32. (Currently Amended) The method of claim 31, further comprising the steps of:

coordinating said management company's data with a plurality of lenders and insurance companies;

receiving periodic income from each annuity;

periodically determining the amount to be credited from each annuity to each life

insurance policy's money market, general, and mortality and expense accounts; and

triggering the electronic crediting of said accounts through a computer system which, on a periodic basis, credits said life insurance policy accounts through a computer system which, on a periodic basis, credits said life insurance policy accounts.

BS 33. (Currently Amended) The method of claim 32, further comprising the steps of:

determining the amount to be credited to the lender for each loan;  
determining the amount positive or negative loan amortization to be added or subtracted from each of said loans;  
testing if the loan is in default; and  
determining, at the death of the insured, the amounts to be paid to said lenders.

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B6 42. (Currently Amended) A method for combining life insurance and annuities using a computer system, comprising the steps of:

borrowing money;  
purchasing an annuity and a life insurance policy using said borrowed money;  
paying premiums for said life insurance policy using income from said annuities;  
paying payments on said loan using income from said annuities;  
establishing a partnership and a management company;  
paying fees to a management company to manage said computer system, wherein said computer system is responsible for:  
sending a balance of cash flow and tax reporting to said partnership;  
paying proceeds/profits to an investment trust; and  
paying the beneficiaries of said trust in the form of a dividend in accordance with a trust instrument whereby tax liability is reduced based upon the tax favored treatments afforded to said trust instrument.

43. (Currently Amended) The method of claim 42, further comprising the steps of:

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coordinating said management company's data with a plurality of lenders and insurance companies;  
receiving periodic income from each annuity;  
periodically determining the amount to be credited from each annuity to each life insurance policy's money market, general, and mortality and expense accounts; and  
triggering the electronic crediting of said accounts through a computer system which, on a periodic basis, credits said life insurance policy accounts.

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52. (Currently Amended) A computer system combining life insurance and annuities, comprising:

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a computer system having a multithreaded operating system;  
a software application, connected to and continuously updating a database application, and independently teleconnected with a plurality of business entities for carrying out the specific provisions of a trust instrument wherein said plurality of business entities further comprise life insurance companies, annuity companies, commercial lenders, investors, and clients, which are interconnected in a financial trust arrangement in which an annuity income stream is used to pay life insurance premiums according to a trust instrument; and

wherein said software application has a reporting mechanism which generates policy projections, note reporting, tax reporting, and cash-flow reporting.

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Please cancel ~~claim~~ 55 without disclaimer or prejudice to its underlying subject matter.

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56. (Currently Amended) The system of claim 52,  
wherein said computer system is integrated within another computer system maintained by a service entity and which is located in a central location; and

BY a plurality of remote terminals, located in field offices outside said central location, and accessible only by secure logons located anywhere an Internet connection can be established.

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BY 65. (Currently Amended) A method of combining life insurance and annuities within a computer system, comprising the steps of:  
purchasing an annuity and a life insurance policy;  
paying premiums for said life insurance policy using income from said annuities;  
maintaining inside build-up within said life insurance policy using said computer system;  
coordinating said management company's data with a plurality of insurance companies;  
receiving periodic income from each annuity;  
periodically determining the amount to be credited from each annuity to each life insurance policy's money market, general, and mortality and expense accounts;  
triggering the electronic crediting of said accounts through a computer system which, on a periodic basis, credits said life insurance policy accounts; and  
wherein the beneficiary of said life insurance policy is a charitable institution.

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Please cancel claims 66-67 without disclaimer to their underlying subject matters.

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BY 86. (Currently Amended) A method of combining life insurance and annuities using a computer system, comprising the steps of:  
purchasing an annuity and a life insurance policy;  
paying premiums for said life insurance policy using income from said annuities;  
establishing a partnership, a trust, and a management company;  
paying fees to a management company to manage said computer system, wherein said computer system is responsible for:  
sending a balance of cash flow and tax reporting to said partnership;  
paying proceeds to the members of said partnership based on a partnership



agreement; and

passing the tax consequences onto a tax-favored taxpayer in accordance with a trust instrument wherein said tax favored taxpayer entities comprise any entity that receives tax favored treatment.

87. (Currently Amended) The method of claim 86, wherein said method further comprises the steps of:

coordinating said management company's data with a plurality of insurance companies;

receiving periodic income from each annuity;

periodically determining an amount to be credited from each annuity to each life insurance policy's money market, general, and mortality and expense accounts; and

triggering the electronic crediting of said accounts through a computer system which, on a periodic basis, credits said life insurance policy accounts.